

Exhibit B

Certificate of Compliance

Company: HID Global

Reporting Year: January 1 through December 31, 20 Year # of 10

1.0 Investment

- 1.1 §1.01 of the Agreement states that after the Effective Date and before June 30, 2014, HID Global (or its lessor or landlord or the owner of the real property of HID Global's Manufacturing and Distribution Center) shall invest at least \$30,000,000.00 to construct HID Global's Austin Manufacturing and Distribution Center.
- a. To date the City has not verified HID Global's investment in constructing the Company's Manufacturing and Distribution Center.
- b. \$ has been invested to construct HID Global's Manufacturing and Distribution Center for the reporting year ending December 31, 20.
- 1.2 §1.01 of the Agreement states that after the Effective Date and before December 31, 2017, HID Global shall invest at least \$6,000,000.00 in Business Personal Property to be installed and used at HID Global's Manufacturing and Distribution Center to support the operation of the Manufacturing and Distribution Center.
- a. To date the City has not verified HID Global's investment in Business Personal Property.
- b. HID Global has invested \$ in Business Personal Property at the Manufacturing and Distribution Center for the reporting year ending December 31, 20.

2.0 Employment

- 2.1 §1.02(a) and 1.02(b) of the Agreement require HID Global to create 294 New Full-time Jobs by December 31, 2014 and retain those New Full-time Jobs throughout the term of the Agreement. The cumulative job creation schedule is as follows:
- 147 New Full-time Jobs before December 31, 2014; and
276 New Full-time Jobs before December 31, 2015.
- Number of New Full-time Jobs created and retained as of December 31, 20 :
- 2.2 §1.02(c) of the Agreement requires that the average annual compensation, excluding health insurance and retirement benefits, of the New Full-Time Jobs created and retained shall be as follows:

| <u>Year</u> | <u>Minimum Average Annual Compensation</u> |
|-------------|--|
| <u>2013</u> | <u>\$ 44,336</u> |
| <u>2014</u> | <u>\$ 44,336</u> |
| <u>2015</u> | <u>\$ 53,163</u> |
| <u>2016</u> | <u>\$ 53,163</u> |
| <u>2017</u> | <u>\$ 53,163</u> |
| <u>2018</u> | <u>\$ 53,163</u> |
| <u>2019</u> | <u>\$ 53,163</u> |
| <u>2020</u> | <u>\$ 53,163</u> |
| <u>2021</u> | <u>\$ 53,163</u> |
| <u>2022</u> | <u>\$ 53,163</u> |

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- 2.3 Did the average annual compensation, excluding health insurance and retirement benefits, of the New Full-Time Jobs created and retained during the year ended December 31, 20 equal or exceed the requirements in §1.02(c) of the Agreement?

☐ Yes

☐ No

- 2.4 As of December 31, 20 did the number of New Full-time Jobs and created and retained fall below the numbers required under §1.02(a) and 1.02(b) of the Agreement?

☐ Yes

☐ No

If not, skip to Section 3.

- 2.5 Did HID Global re-establish, create or reinstate the required number of New Full-time Jobs created and retained within 90 days after December 31, 20 as required by §1.02(d) of the Agreement?

☐ Yes

☐ No

- 2.6 Number of New Full-time Jobs created and retained as of March 31, 20 : _____

- 2.7 Did the average annual compensation, excluding health insurance and retirement benefits, of the New Full-Time Jobs created and retained as of March 31, 20 equal or exceed the requirements in §1.02(c) of the Agreement?

☐ Yes

☐ No

3.0 Recruitment

- 3.1 §1.03 of the Agreement requires HID Global to:

- a. Make commercially reasonable efforts to work with non-profit organizations such as the Greater Austin Asian Chamber of Commerce, the Capital City African American Chamber of Commerce, the Greater Austin Hispanic Chamber of Commerce, the National Society of Black Engineers, the Austin Gay and Lesbian Chamber of Commerce, the Austin Travis County Reentry Roundtable, Minorities for Equality in Employment Education and Liberty, the Society of Hispanic Professional Engineers, the Texas Department of Assistive and Rehabilitative Services (DARS), and other appropriate organizations as approved by the City, to expand its pool of diverse candidates in hiring recruitment efforts for the jobs at the Manufacturing and Distribution Center;
- b. Make commercially reasonable efforts to recruit residents of the Austin area for its New Full-time Jobs; and
- c. Adhere to its Equal Employment Policies and Practices attached as Exhibit A to the Agreement.

- 3.2 Did HID Global comply with the recruiting requirements in §1.03 of the Agreement during the year ended December 31, 20 ?

☐ Yes

☐ No

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4.0 Local Business Participation

- 4.1 §1.04(a) of the Agreement requires HID Global to use commercially reasonable efforts to provide minority-owned, women-owned and local small businesses certified by the City's Small and Minority Business Resources Department (SMBR) an equal opportunity to participate as suppliers for materials and services purchased by the Company exclusively for use at its Software Center.

Did HID Global comply with the local business participation requirements in §1.04(a) of the Agreement during the year ended December 31, 20 ?

☐ Yes

☐ No

- 4.2 §1.04(b) of the Agreement requires HID Global to:

- a. Develop and submit to the City a reasonable supplier diversity policy regarding HID Global' procurement of materials and services to be used exclusively at the Software Center within 90 days of the Effective Date of the Agreement; and
- b. Adhere to this policy for the procurement of materials and services at the Software Center with respect to any individual procurement of materials or services for which the cost is more than \$5,000.

Did HID Global comply with the local business participation requirements in §1.04(b) of the Agreement during the year ended December 31, 20 ?

☐ Yes

☐ No

- 4.3 Was there any design or construction work at HID Global's Manufacturing and Distribution Center during the year ended December 31, 20 ?

☐ Yes

☐ No

If not, skip to Section 5.0.

- 4.4 §1.04(c) of the Agreement requires HID Global to comply with the applicable standards and principles of Chapters 2-9A through 2-9D of the City's M/WBE Program Ordinance in the letting of contracts for design and construction of the company's Austin Manufacturing and Distribution Center

- 4.5 §1.04(d) of the Agreement requires that with respect to any design or construction projects at the company's Austin Office, HID Global, its architect and general contractor shall meet the following ethnic/gender-specific participation goals:

| | Professional Services Participation Goals | Construction Participation Goals |
|---|--|-------------------------------------|
| African-American-owned Business Enterprises | 1.9% | 1.7% |
| Hispanic-owned Business Enterprises | 9.0% | 9.7% |
| Asian-American and Native American-owned Business Enterprises | 4.9% | 2.3% |
| Women-owned Business Enterprises | 15.8% | 13.8% |

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In an effort to meet the ethnic/gender-specific M/WBE utilization goals, HID Global shall implement an outreach program designed to solicit participation of minority-owned and women-owned businesses. These outreach efforts should also target small businesses generally. HID Global may seek SMBR's assistance in these outreach efforts as described in Section 1.04(d).

For any year in which HID Global and the general contractor fail to meet each of these goals, HID Global and the architect or general contractor must demonstrate good faith efforts to meet the goals as described in the City's M/WBE Program Ordinance. HID Global shall submit periodic documentation demonstrating its own, the architect's and/or the general contractor's good faith efforts to meet the goals, as required under Section 1.04(f) of the Agreement.

- 4.6 §1.04(e) of the Agreement requires HID Global to apprise SMBR when the Company desires assistance from SMBR in its efforts to meet the gender and ethnic specific M/WBE utilization goals.
- 4.7 §1.04(f) of the Agreement requires HID Global to provide monthly reports to SMBR, on forms provided by SMBR, to track (i) the utilization on a percentage basis of M/WBE firms in the design and construction of buildings or improvements; and (ii) a summary of HID Global's efforts to implement the standards and principles of the City's M/WBE Program Ordinance.
- 4.8 Did HID Global comply with the requirements in §1.04(c), 1.04(d) and §1.04(e) and §1.04(f) of the Agreement during the year ended December 31, 20 ?
- ☐ Yes ☐ No

5.0 Additional Covenants

- 5.1 Did HID Global timely submit its Property Tax Notice as is required under Section 2.02(b) of the Agreement during the year ended December 31, 20 ?
- ☐ Yes ☐ No
- 5.2 Did HID Global timely submit this Certificate of Compliance as is required under Section 1.06 of the Agreement during the year ended December 31, 20 ?
- ☐ Yes ☐ No
- 5.3 Did HID Global comply with the other provisions of the Agreement during the year ended December 31, 20 ?
- ☐ Yes ☐ No

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6.0 Chapter 380 Payment Request

- 6.1 Based on HID Global's performance during the term of the Agreement, the Agreement provides for annual Chapter 380 payments equal to 60% of the City of Austin property taxes paid on the increase in taxable value of the Manufacturing and Distribution Center and on new business personal property acquired after the Effective Date of the Agreement that is installed and used at the Manufacturing and Distribution Center.

Real Property

Business Personal Property

City property taxes paid for
January 1, 20 valuation: _____

Chapter 380 Payment Request: _____

- 6.2 Property Tax Notice is attached:

☐ Yes

☐ No

I, the authorized representative for HID Global hereby certify that the above information is correct and accurate pursuant to the terms of the Agreement. I further certify that HID Global complied fully with the Chapter 380 Economic Development Agreement during the year ended December 31, 20, including Section 1.05 regarding Compliance with City Regulations and Section 1.07 regarding Texas Government Code Chapter 2264.

Signature: _____

Printed Name: _____

Title (Chief Financial Officer or equivalent): _____

Date: _____